

# Sica | Fletcher Agency & Broker Buyer Index

Q1 2023 DEAL ACTIVITY

# S | F Agency & Broker Buyer Index

2023 – Sica Fletcher Agency & Broker Buyer Index



# S | F Agency & Broker Buyer Index

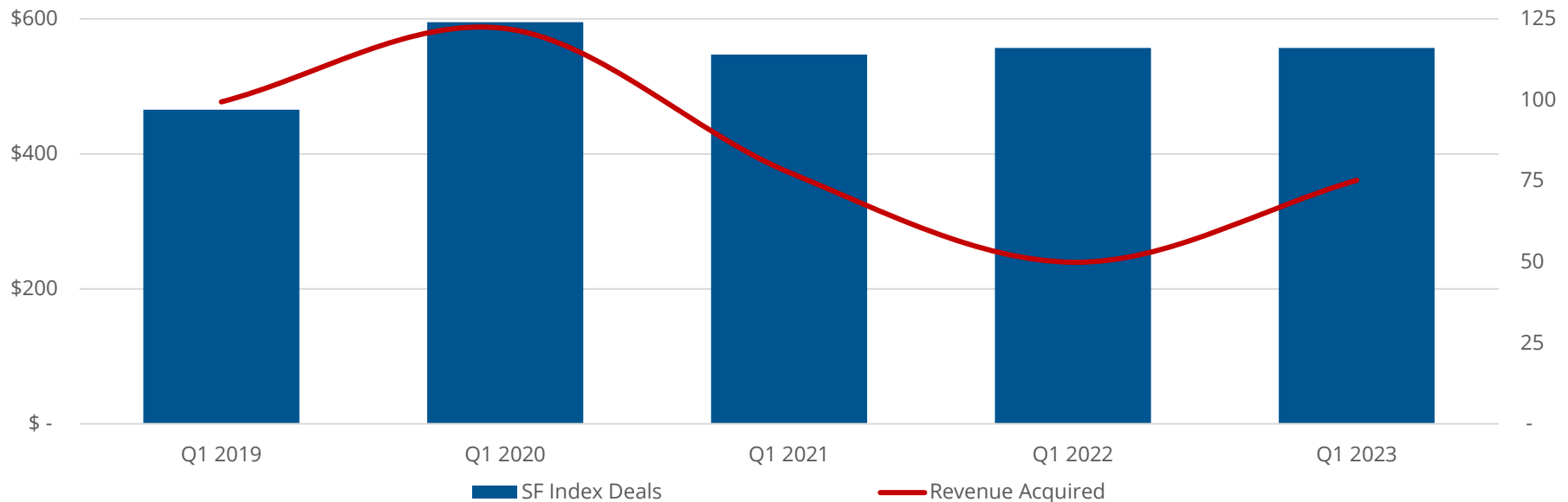
## Q1 2023 DEAL ACTIVITY

The Sica | Fletcher Agency & Broker Buyer Index now tracks 22 of the most active acquirers in the insurance brokerage space.

In addition to tracking the number of deals, each Index member provides the aggregate revenue acquired each quarter.



### Summary SF Index – Q1 Historical View, 2019 to 2023



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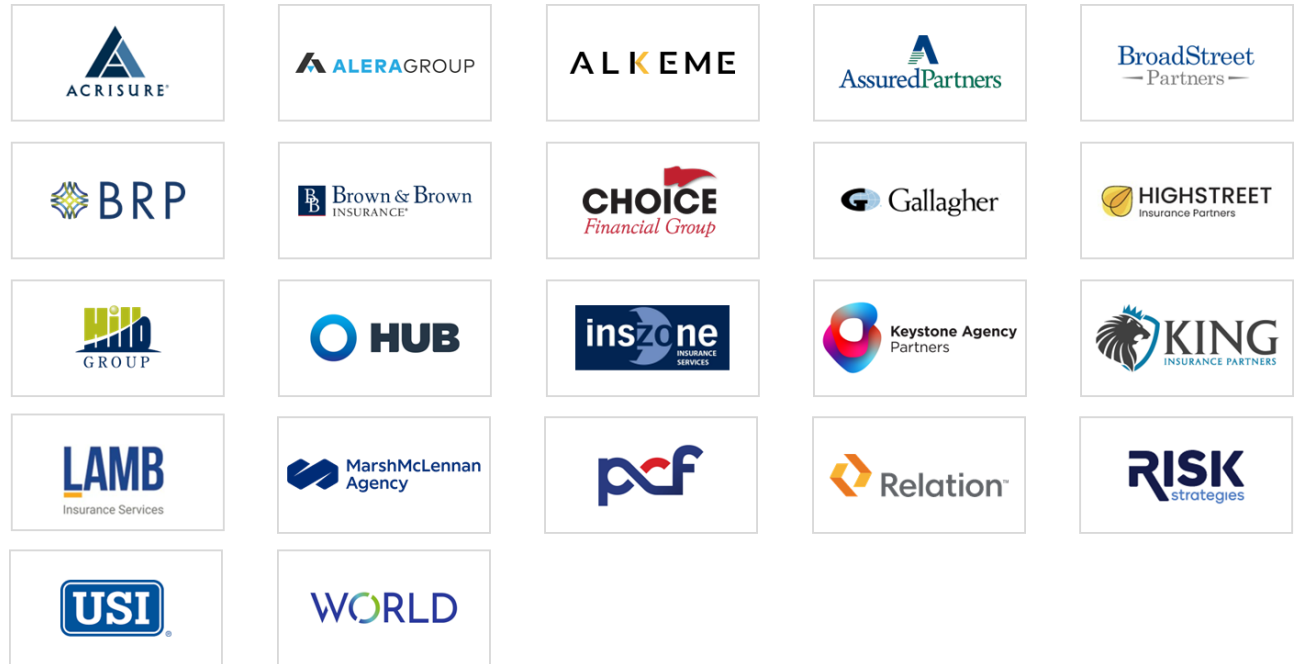
## Q1 2023 DEAL ACTIVITY

SF Index members acquired 116 Agents/Brokers during Q1 2023, about the same number as in Q1 2022. While Q1 generally produces the lightest volume of the year, the reasons vary. In Q1 2022 investors were focused on integrating the frenzy of year-end activity, whereas in Q1 2023 we are seeing some impact from macroeconomic pressures and the interest rate environment.

While there are still many well-funded buyers in the market flush with capital, investors have become more selective when evaluating acquisition opportunities.

116

Agencies acquired by  
SF index members  
during Q1 2023



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Q1 2023 DEAL ECONOMICS

**\$361 million**

Total revenue acquired by  
SF Index – Q1 2023

In Q1 2023, SF Index members acquired \$361 million of agency and broker revenue (approximately 50% higher than what was acquired in Q1 2022).

**\$3.11 million**

Average revenue of agency acquired  
SF Index – Q1 2023

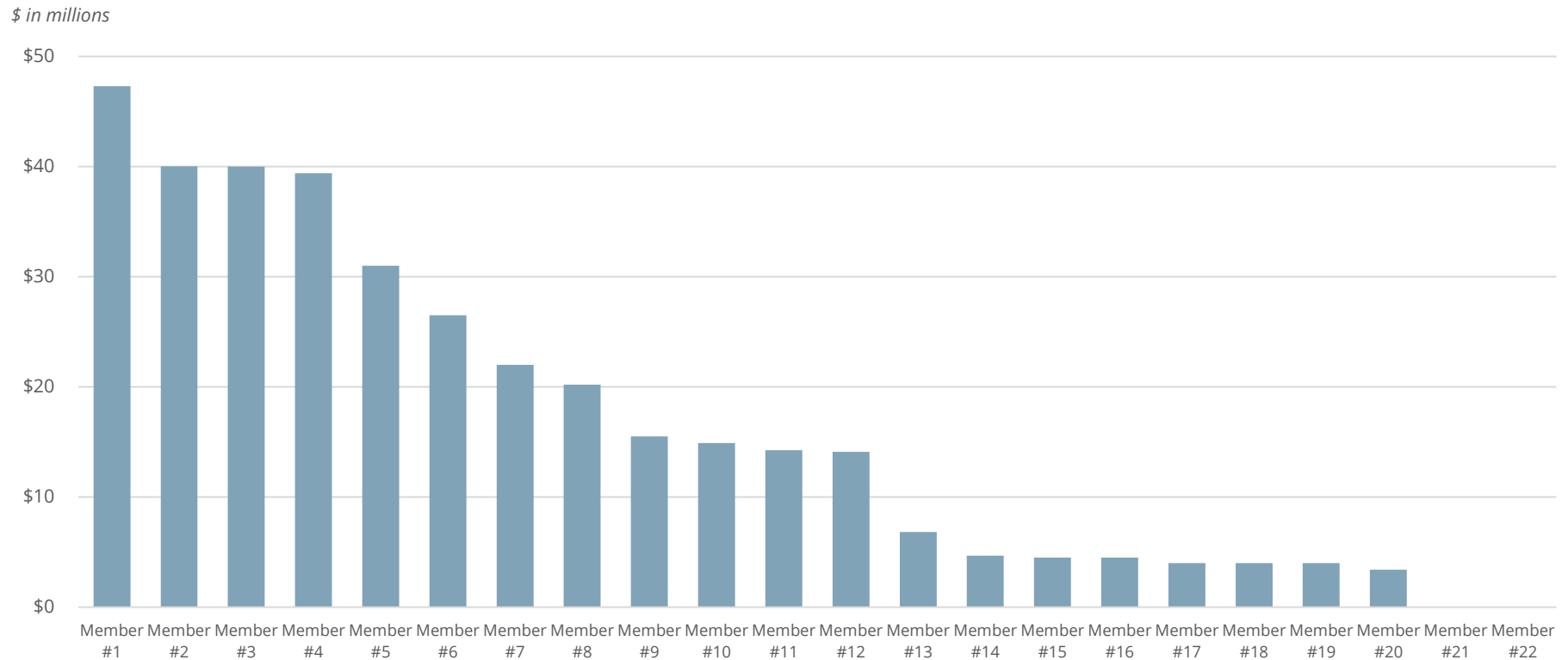
The average revenue of acquired agencies in Q1 2023 was also higher, at \$3.11 million versus \$2.06 million in Q1 2022.

*Note: Revenue information estimated for three SF Index members.*

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## Q1 2023 DEAL ECONOMICS

The anonymous breakdown of the \$361 million in revenue acquired during Q1 2023 by SF Index members is as follows:



Note: Revenue information estimated for three SF Index members.

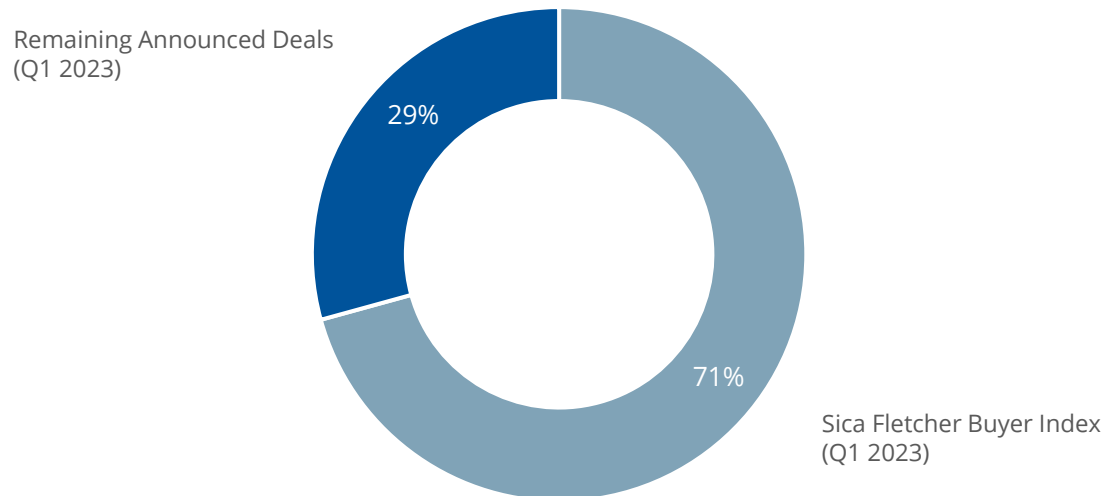
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Q1 2023 DEAL ACTIVITY



The SF Index accounted for 71% of all deal activity in the agency and brokerage space in Q1 2023.

## Q1 2023 Announced Transactions



*Note: While S&P Global reports a total deal volume of 116 transactions during Q1 2023, 48 transactions by SF Index members were not reported to S&P. Sica Fletcher index data is received directly from and validated by Index members, whereas S&P Global data is obtained from third party sources and press releases.*

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## Q1 2023 DEAL ACTIVITY

### Who's Buyin' – YOY Comparison

While the total number of deals YOY remained consistent, the distribution of activity amongst the Sica | Fletcher Index members looks a bit different this quarter.

In terms of deal volume, BroadStreet Partners led the group for Q1 2023.

Most Sica | Fletcher Index Members demonstrated substantial increases in terms of the number of Q1 2023 deals compared to Q1 2022. Other Sica | Fletcher Index Members have taken a strategic pause during the past few months, including PCF, High Street and Acrisure.

| Q1 2023 Rank | Q1 2022 Rank | Deals by SF Index Member   | # of Deals, Q1 2023 | # of Deals, Q1 2022 |
|--------------|--------------|----------------------------|---------------------|---------------------|
| 1            | 8            | BroadStreet Partners       | 14                  | 5                   |
| 2            | 8            | Gallagher                  | 10                  | 5                   |
| 3            | 14           | World Insurance Associates | 9                   | 2                   |
| 3            | 10           | Risk Strategies            | 9                   | 3                   |
| 5            | 2            | Acrisure                   | 8                   | 15                  |
| 5            | 17           | Assured Partners           | 8                   | 0                   |
| 7            | 5            | Inszone Insurance          | 7                   | 7                   |
| 7            | 10           | Keystone                   | 7                   | 3                   |
| 9            | 3            | Hub International          | 6                   | 14                  |
| 9            | 10           | Hilb Group                 | 6                   | 3                   |
| 9            | 15           | Choice Financial Group     | 6                   | 1                   |
| 12           | 3            | High Street                | 5                   | 14                  |
| 12           | 15           | Alkeme                     | 5                   | 1                   |
| 14           | 17           | Alera Group                | 4                   | 0                   |
| 14           | 6            | USI                        | 4                   | 6                   |
| 16           | 1            | PCF                        | 2                   | 27                  |
| 16           | 6            | Relation                   | 2                   | 6                   |
| 16           | 10           | King Insurance Partners    | 2                   | 3                   |
| 18           | 15           | Brown & Brown              | 1                   | 1                   |
| 18           | 17           | Marsh & McLennan           | 1                   | -                   |
| 20           | 17           | Lamb                       | -                   | -                   |
| 20           | 17           | Baldwin Risk Partners      | -                   | -                   |

Total Acquisitions – SF Index Members – Q1 2023

**116 Transactions**

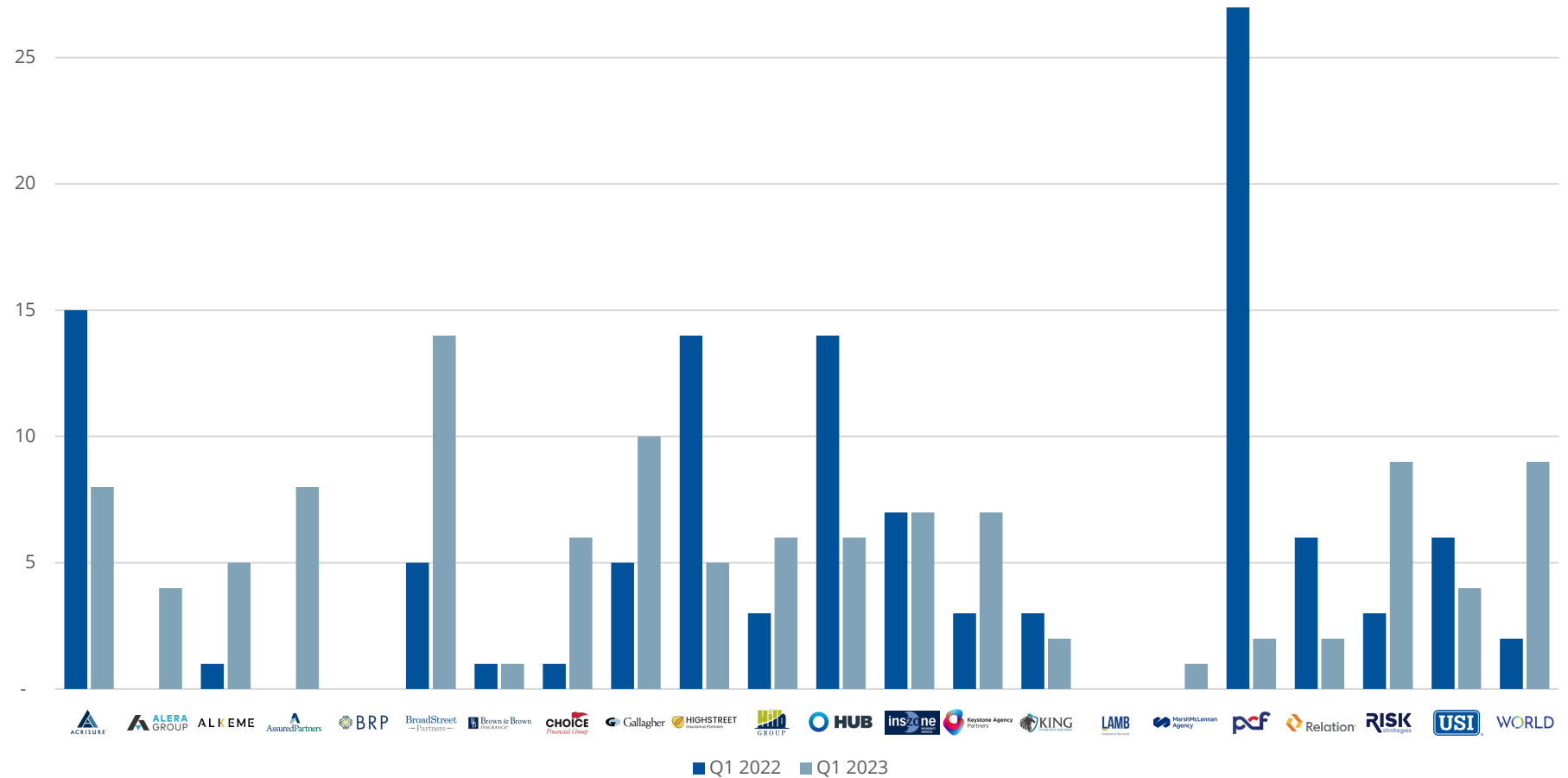


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## Q1 2023 DEAL ACTIVITY

### Who's Buyin' - Q1 2022 vs. Q1 2023

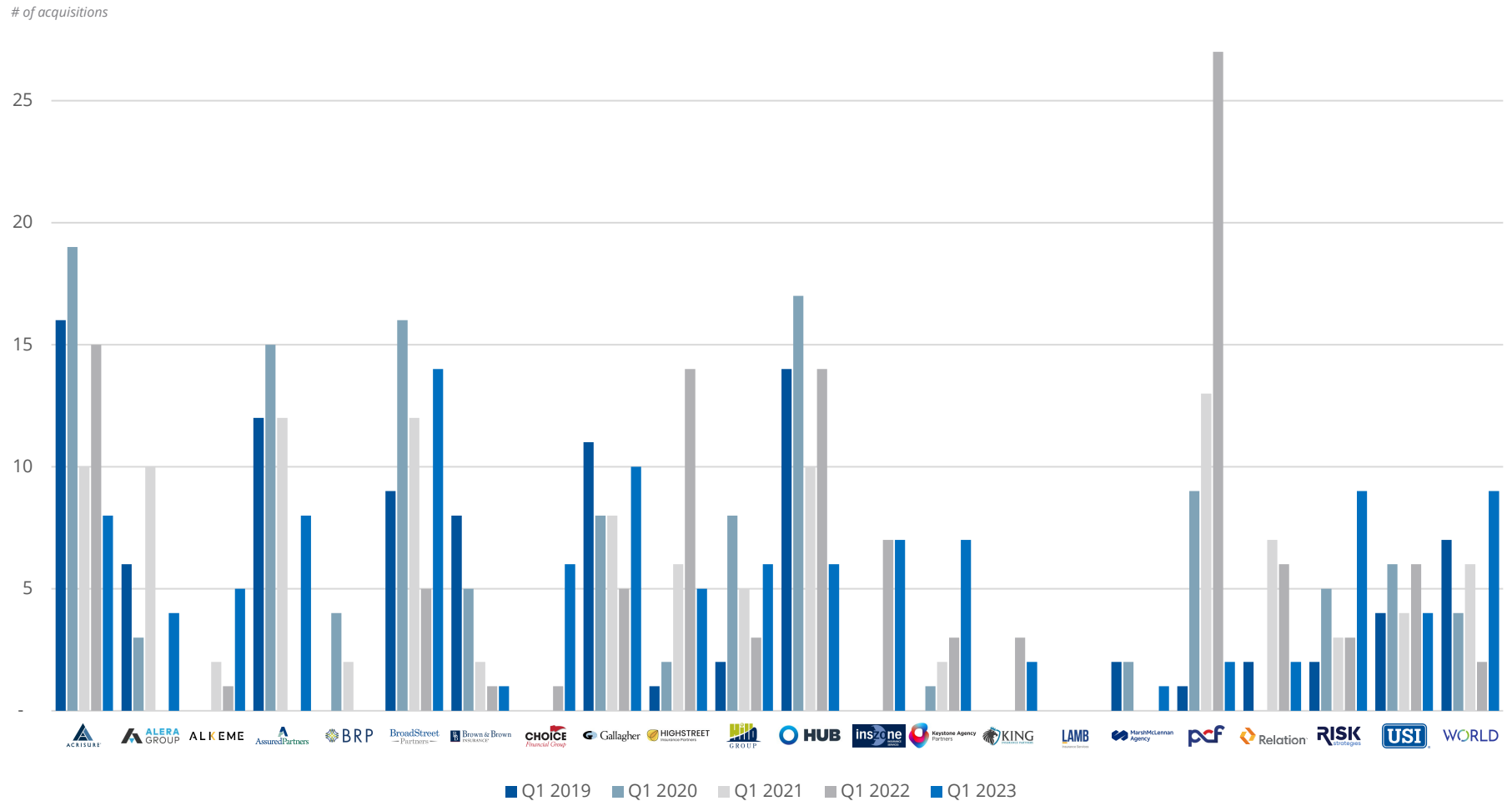
# of acquisitions



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## Q1 2023 DEAL ACTIVITY

### Who's Buyin' - Five Year View - Q1 2019 through Q1 2023

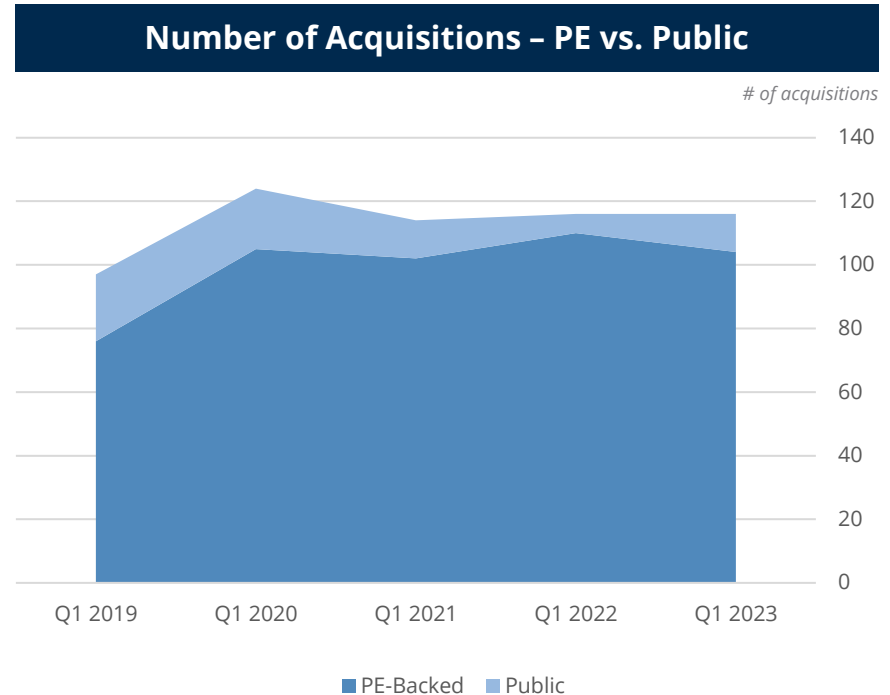


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## Q1 2023 DEAL ACTIVITY

### Public vs. PE-Backed Analysis

Private Equity-backed firms have dominated the space consistently over the past five years when looking at total transaction volume and represent nearly 90% of SF Index transactions during Q1 2023. The size of publicly-traded deals drove higher average revenue figures for public brokers even though they represent around 10% of total deal volume.




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Q1 2023 DEAL ACTIVITY

Public vs. PE-Backed Analysis

## Public Companies – 12 Acquisitions

|  |  |   |  |
|--|--|---|--|
| <br>- | <br>1 | <br>10 | <br>1 |
|--|--|---|--|

## PE-Backed Companies – 104 Acquisitions

|   |  |  |  |   |  |  |  |  |
|---|--|--|--|---|--|--|--|--|
| <br>8  | <br>4   | <br>5   | <br>8   | <br>14  | <br>6   | <br>5   | <br>6   | <br>6   |
| <br>7 | <br>7 | <br>2 | <br>- | <br>2 | <br>2 | <br>9 | <br>4 | <br>9 |

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## SICA | FLETCHER DEAL ACTIVITY

### Notable Transactions

SICA|FLETCHER, LLC  
Facilitated the transaction and acted as exclusive financial & strategic advisor:



In its recapitalization by:



SICA | FLETCHER  
Opportunities Abound

SICA | FLETCHER, LLC  
Is pleased to announce its role as strategic advisor to:



In its management and partner-led buyout from:



SICA | FLETCHER  
Opportunities Abound

SICA|FLETCHER, LLC  
Is pleased to announce its role as exclusive financial and strategic advisor to:



In its partnership with and majority investment by



SICA | FLETCHER  
Opportunities Abound

### Recent Transactions

SICA | FLETCHER, LLC  
is pleased to announce its role as exclusive financial and strategic advisor to:



In its sale to:



SICA | FLETCHER  
Opportunities Abound

SICA | FLETCHER, LLC  
is pleased to announce its role as exclusive financial and strategic advisor to:



In its sale to:



SICA | FLETCHER  
Opportunities Abound

SICA | FLETCHER, LLC  
is pleased to announce its role as exclusive financial and strategic advisor to:



In its sale to:



SICA | FLETCHER  
Opportunities Abound

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In its sale to:



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Opportunities Abound

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WHO IS SICA | FLETCHER

## SICA | FLETCHER



A strategic and financial advisory firm focused on the insurance industry. Sica|Fletcher guides our clients to their optimal position, advising them from a strategic standpoint that maximizes the value of their firm.



Founded nine years ago by Michael Fletcher and Al Sica, two of the industry's leading dealmakers. Mike and Al are experienced M&A professionals focused on assessing, advising and executing.



For eight years running Sica | Fletcher has ranked #1 in the league tables for insurance agency/brokerage M&A.



90% of the deals Sica | Fletcher advises on are insurance distribution focused.

## S&P Global Market Intelligence

### 2023 LEAGUE TABLES FOR M&A

Leading Financial Advisors  
Insurance

| Rank<br>2023 | Rank<br>2022 | Firm                                 | Number Of<br>Deals |
|--------------|--------------|--------------------------------------|--------------------|
| 1            | 1            | Sica   Fletcher LLC*                 | 31                 |
| 2            | 2            | Marsh Berry & Co. Inc.               | 10                 |
| 3            | 4            | Reagan Consulting Inc.               | 6                  |
| 4            | 8            | Dowling Hales                        | 2                  |
| 5            | 6            | Mystic Capital Advisors Group LLC    | 1                  |
| 5            | 8            | Morgan Stanley                       | 1                  |
| 5            | 12           | Piper Sandler & Co.                  | 1                  |
| 5            | 14           | Alvarez & Marsal Holdings LLC        | 1                  |
| 5            | 19           | Barclays Capital Inc.                | 1                  |
| 5            | 30           | Truist Securities Inc.               | 1                  |
| 5            | NR           | TAG Financial Institutions Group LLC | 1                  |
| 5            | NR           | Credit Suisse (USA) Inc.             | 1                  |
| 5            | NR           | Stifel Financial Corp.               | 1                  |
| 5            | NR           | Numis Securities Ltd.                | 1                  |
| 5            | NR           | Mesirow Financial Inc.               | 1                  |

\*Includes deals categorized outside of Insurance Broker

as of March 31, 2023

Source: S&P Global  
Market Intelligence

# Contact Information

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